

# LOUISIANA STATE MANAGEMENT PLAN

## SECTION 5317 New Freedom SMALL URBAN AND RURAL FORMULA PROGRAM



STATE OF LOUISIANA  
Bobby Jindal, Governor

DEPARTMENT OF TRANSPORTATION  
AND DEVELOPMENT  
Sherri H. LeBas, P.E., Secretary

PUBLIC TRANSPORTATION SECTION  
Donna C. Lavigne, Administrator

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# STATE MANAGEMENT PLAN – 49 U.S.C. – 5317 PROGRAM

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# **STATE MANAGEMENT PLAN - 49 U.S.C. - 5317 PROGRAM**

## **INTRODUCTION**

The purpose of this State Management Plan (SMP) is two-fold:

1. First, the development and approval of an SMP in accordance with requirements of Circular 9045.1 of the Federal Transit Administration provides a means of expanding Louisiana's direct responsibility for administering the New Freedom Program as authorized by Section 5317 of the United States Code. As a result, the SMP provides a means of reducing the level of direct Federal involvement in the Section 5317 program by demonstrating the State's preparedness to assume primary program responsibility.
2. Second, the SMP provides a useful working tool for organizing, refining and summarizing Louisiana's existing policies, procedures and practices which are designed to effectively achieve the objectives of the program. Moreover, because it provides a means for structuring and presenting the overall management approach to the program, the SMP offers a comprehensive ready reference for program participants and other interested officials or individuals.

Louisiana's SMP has been prepared in accordance with FTA guidance and encompasses only the Section 5317 program. The document forms the basis for Louisiana's program management effort. Louisiana will prepare and submit additional amendments or plan revisions for FTA approval whenever significant changes are adopted. Such revisions will be instituted when new policies or procedures are adopted; legal requirements are altered, or as specifically requested by FTA.

## **1. PROGRAM GOALS AND OBJECTIVES**

Louisiana's goals for the Section 5317 program which have been adopted from the Federal Transit Administration are:

- to improve transportation related mobility for seniors and people with disabilities, including transportation to and from jobs and employment support services, in the rural and small urban areas of Louisiana;
- to provide financial operating and capital assistance for transportation services planned, designed and carried out to meet the transportation needs of seniors and people with disabilities;
- to coordinate Federally-assisted programs and services in order to make the most efficient use of all Federal resources.

### **1.1 State Management Philosophy**

At the state level, several factors and basic requirements help to shape the broad management philosophy which is reflected in the organization and

operations of Louisiana's Section 5317 program. Among these factors are the following:

- Broad responsibility for planning, development and coordination of public transportation programs is assigned to the Public Transportation Section, Louisiana Department of Transportation and Development. The Section 5317 program is one of several programs administered by this Office in its efforts to provide a comprehensive and balanced treatment of Louisiana's total public transportation needs.
- Louisiana's nonurbanized population accounts for 48% of the State's total population. Moreover, a large majority of the parishes (counties) are predominantly nonurbanized. As a consequence, the character and magnitude of nonurbanized public transportation needs play a highly significant role in the State's overall transportation program. Louisiana acknowledges this role through establishment of a formal, specialized management function with central responsibility for small urban and nonurbanized public transportation.
- Centralization of program management and administrative responsibility at the state level produces a program management approach which stresses uniform policy decisions with minimum reliance on numerous levels of administrative review. The state will rely on modern reporting systems to monitor program activities in combination with an emphasis on regular communication and field visits by state-level personnel.

## 1.2 State Goals

Louisiana's goals for the Section 5317 program are consistent with the goals set forth by the Federal program legislation but also include:

- to promote and provide for the availability and effective use of transportation services for seniors and persons with disabilities of all small urban and nonurbanized areas of demonstrated need.
- to maximize the effective use of available program resources through adopting and encouraging efficient management and operating policies and practices.

## **2. ROLES AND RESPONSIBILITIES**

### **2.1 Designated Lead Agency**

The Louisiana Department of Transportation and Development (DOTD) have been designated by the Governor as the state agency authorized to receive and administer available Federal funds under provisions of the Section 5317 program.

Within the Department various sub-units are actively involved in discharging the administrative responsibilities connected with the program.

The Public Transportation Section is responsible to manage the Section 5317 Program by:

- conducting an area-wide or Statewide competitive selection process,
- certifying a fair and equitable distribution of funds resulting from the competitive selection process,
- certifying that each project selected was derived from a locally developed, coordinated public transit-human services transportation plans,
- certifying that local plans are developed through a process that included representative of public, private, and non-profit transportation and human services providers and participation by the public,
- managing all aspects of grant distribution and oversight for subrecipients receiving funds under this program, and
- submitting reports as required to FTA,
- obligate funds based on the annual program of projects included in a grant application,

### **2.2 Other Involved Agencies/Organizations**

Local public governments are eligible to apply for Section 5317 funding. It is the responsibility of the local governments to complete the application process.

During the application process, it is the responsibility of the local governments to coordinate with existing social service agencies within the service area and to provide reasonable notice to private transportation providers regarding proposed services and to provide opportunities for private transportation providers to present their views. Before applying for

funding, it is the responsibility of local public governments to consider first whether private carriers could provide such service in a manner which is consistent with local objectives without public subsidy.

The Louisiana Department of Transportation and Development, Public Transportation Section, encourages private for-profit providers and minority groups and/or agencies to become involved at the local level in the planning and provision of the proposed transportation services.

The local public governments are responsible for the coordination and compliance of sub-recipients for the duration of Section 5317 funded projects.

Regional Transit Authorities and organizations specifically incorporated to provide transit services in a parish or parishes are governed by their Board of Directors or a local government entity.

### **3. ELIGIBLE SUBRECIPIENTS**

#### **3.1 Eligibility Criteria**

Eligible Subrecipients of Section 5317 funding under the program includes:

- Private-nonprofit organizations
- State or local governmental authority (public bodies or agencies thereof)
- Operators of public transportation services, including private operators of public transportation services.

To ensure accountability, coordination and local program support for operating assistance, Louisiana further requires that an applicant organization must be a public body. The only exceptions to this are Regional Transit Authorities and the organizations specifically incorporated and recognized by the State to provide transit services in a parish or parishes.

For capital assistance to purchase vehicles, LADOTD may contract directly with the eligible subrecipients listed above.

Only one applicant/subrecipient is allowed within a service area.

#### **3.2 Existing Methods of Participation**

To receive operating assistance, any potential recipient which is not a public body must contract with an appropriate applicant organization (i.e., public



body) and agree to provide the necessary transportation service. This provision also extends to private for-profit operators of transit or paratransit services. The only exceptions to this are Regional Transit Authorities and organizations specifically incorporated and recognized by the State to provide transit services in a parish or parishes.

To receive capital assistance only, LADOTD may contract directly with the private-nonprofit organizations, State or local governmental authority (public bodies or agencies thereof) or operators of public transportation services, including private operators of public transportation services.

### 3.3 Technical Capabilities

The 5317 program manager evaluates technical capacity using criteria such as staffing levels, staff training and experience, level of documentation of procedures, ability to submit required reports correctly and on time, ability to maintain project equipment and ability to comply with FTA and state requirements. The 5317 program manager ensures that sub recipients have the required technical capacity through pre-award site visits, grant application, scheduled site visits, annual questionnaires, and it builds technical capacity through training programs provided during the year.

## 4. ELIGIBLE SERVICES AND SERVICE AREAS

### 4.1 General Provisions

Funds available from the Section 5317 program are dedicated to “new” public transportation services beyond those required by the Americans with Disabilities Act of 1990 (ADA) and new public transportation alternatives beyond those required by the ADA designed to assist individuals with disabilities with accessing transportation services, including transportation to and from jobs and employment support services.

Under the general service provisions which govern the program:

- “new” service is any service or activity that was not operational on August 10, 2005, and did not have an identified funding source as of August 10, 2005, as evidenced by inclusion in the Transportation Improvement Plan (TIP) or STIP;
- the project may continue to be eligible for New Freedom funding indefinitely as long as the project(s) continue to be part of the coordinated plan; and
- both new public transportation services and new public transportation alternatives go beyond the requirements of the ADA and must (1) be

targeted toward individuals with disabilities; and (2) meet the intent of the program by removing barriers to transportation and assisting persons with disabilities with transportation, including transportation to and from jobs and employment services.

General restrictions which apply to services funded by the program include:

## **CHARTER SERVICE**

The Louisiana DOTD Public Transportation Section has elected to delegate the responsibility of compliance of 49 CFR Part 604, Charter Service Final Rule to all Section 5317 recipients and requires each recipient to certify compliance with 49 CFR Part 604. The certification will be retained as long as the transit provider is a subrecipient.

Charter service is permitted only as defined in 49 CFR Part 604, Charter Service Final Rule. Such service may be provided only if a determination has first been made as to whether or not there are any private charter operations willing and able to provide the charter service. In the event there is one such private operator, the recipient is prohibited from providing charter service with FTA funded equipment or facilities, unless one or more of the exceptions as listed in 49 CFR Part 604 apply. A recipient of Section 5317 funds may petition FTA for an exception to provide charter service under the guidelines contained in 49 CFR Part 604. Any charter service that a recipient provides under any of the above exceptions must be incidental charter service provided outside regular hours of operation. The revenues from each charter trip should equal or exceed the fully allocated costs of providing such a service. Additionally, charter profits must be used to offset regular public transit expenses.

Recipients which qualify to provide incidental charter service must follow the public participation process as presented in Section 604.9 annually during the month in which it published its first newspaper notice to re-determine the extent to which there is at least one willing and able private charter operator.

## **SCHOOL BUS SERVICE**

Title 49 U.S.C. Section 5323(f) prohibits the use of FTA funds for exclusive school bus transportation for school students and school personnel. The implementing regulation (49 CFR Part 605) does permit regular service to be modified to accommodate school students along with the general public. For the purpose of FTA's school bus regulation, Headstart is a social service, not a school program. FTA recipients may operate vehicles which meet the safety requirements for school transportation, but may not provide exclusive school service.

The Louisiana DOTD Public Transportation Section requires each recipient to sign a certification of compliance with this regulation as part of the application. Requirements to comply with school bus regulations are also made a part of the contract between DOTD and the recipient (Appendix D).

## **5. ELIGIBLE ASSISTANCE CATEGORIES**

### **5.1 Categories of Available Funding Assistance**

#### State Administration

A maximum of ten percent (10%) of the Section 5317 funds apportioned to the State of Louisiana is set aside for state program administration assistance. The balance of the apportionment is available to eligible recipients for operating grants.

The Louisiana Department of Transportation and Development (DOTD) allocate part of the administrative set-aside account for state program administration. These are 100% federal funds and are used to support DOTD personnel directly involved with Section 5317 program management and administration.

#### Capital and Operating Expense

A minimum of ninety percent (90%) of the Section 5317 funds apportioned to the State of Louisiana is set aside for capital grants and operating assistance grants.

Capital grants can be used for acquisition of vehicles and vehicle appointments, and equipment needed to comply with ADA which meet DOTD specifications. DOTD has identified vehicles which can best meet the requirements of a nonurbanized transportation operation. These specifications are listed in the Section 5317 Application Procedures Manual, Equipment Available and Estimated Costs (Appendix A). A maximum of 80% of each approved capital project can be financed with Section 5317 funds and the local recipient must provide the balance in cash.

Operating assistance grants can be used to pay for a maximum of 50% of net operating deficit. A recipient's net operating deficit is the difference between eligible operating expenses and operating revenues. All applicants are required to develop a proposed operating budget as a part of the overall application process. Program administrative costs incurred by local recipients are categorized as operating costs and are eligible for reimbursement at a maximum of 50% of the net operating deficit.

## **6. LOCAL SHARE AND LOCAL FUNDING REQUIREMENTS**

Applicants can apply for Section 5317 financial grant funding under the operating and capital assistance category. The federal share of eligible operating costs may

not exceed 50% of the net operating cost of the activity. The federal share of eligible capital costs may not exceed 80% of the net cost of the activity. The project balances must be met from local match sources.

#### 6.1 State Application of Federal Guidelines

The eligible local share must be from sources other than Federal DOT funds. Some examples of sources of local match which may be used for any or all of the local share include: State or local appropriations; other non-DOT Federal funds; dedicated tax revenues; private donations; revenue from human service contracts; toll revenue credits; and net income generated from advertising and concessions. Non-cash share such as donations, volunteered services, or in-kind contributions is eligible to be counted toward the local match as long as the value of each is documented and supported, represents a cost which would otherwise be eligible under the program, and is included in the net project costs in the project budget.

Income from contracts to provide human service transportation may be used either to reduce the net project cost (treated as revenue) or to provide local match for New Freedom operating assistance. In either case, the cost of providing the contract service is included in the total project cost. No FTA program funds can be used as a source of local match for other FTA programs, even when used to contract for service.

#### 6.2 Use of Other Federal Funds

Local match may be derived from other Federal funds derived from Federal programs that are eligible to be expended for transportation, other than from the DOT programs. Examples of types of programs that are potential sources of local match include: employment training, aging, medical, community services, and rehabilitation services. To be eligible for local match for FTA funds, the other Federal funds must be used for activities included in the total net project costs of the FTA grant. Expenditure of other Federal funds for transportation outside of the scope of the project cannot be applied as a credit for local match in the FTA grant. Specific program information for other types of Federal funding is available at [www.unitedweride.gov](http://www.unitedweride.gov).

#### 6.3 State Programs Eligible as Local Match

The State of Louisiana does not have a dedicated public transit financing program. Other state funds from legislative appropriations to Community Action Agencies, Councils on Aging, and other public and private, non-profit corporations can be used as local match.

#### 6.4 Unrestricted Federal Funds Eligible as Local Match

Federal funds are deemed to be unrestricted if the Federal agency disbursing the funds designates those funds as unrestricted. Further clarification is presented in the DOTD Section 5317 Procedures Manual & Application (Appendix A).

### 7. ALLOCATION PROCESS, PROJECT SELECTION CRITERIA AND METHOD OF DISTRIBUTING FUNDS

#### 7.1 Louisiana's Funding Allocation Process

The process by which Section 5317 funds are allocated by the State is designed to meet several objectives:

- to make funds available to applicants within nonurbanized and small urbanized areas under 200,000 in population in Louisiana;
- to address eligible funding needs of applicants in a fair and equitable manner;
- to maximize the effective use of available federal funds; and
- to use an increased availability of funds to support expansion of transit service to areas not currently served and/or to improve the level of service or coverage in areas which currently have minimal service.

Briefly summarized, Louisiana's funding allocation process may be described as follows:

1. Of the total funds made available to the State for the Section 5317 program, no less than 90 percent is made available for operating and capital projects. The remaining percentage is retained for state administrative, technical assistance, planning requirements (not more than 10%).
2. State priorities are then used to determine the sequence by which eligible funding requests are considered. Consideration is given as follows:
  - first to existing providers requesting operating assistance,
  - second to new transit operators requesting assistance,
3. Funding requests are individually reviewed to determine the level of eligible funding needed for each project. Federal and State cost policies and standards are used to evaluate the appropriateness of

specific project budget requests along with other evaluation criteria such as prior year activity, prior year budget, ridership, etc.

The Louisiana DOTD Public Transportation Section will provide technical assistance to sub-recipients applying for Section 5317 funding as requested.

## 7.2 Project Selection and Procedures for Assuring Equity in Distributing Funds

Project applications which are submitted for funding are technically evaluated to determine, among other factors, adequacy of the project's proposed organization, management and operations, technical capacity and services provided to the seniors and persons with disabilities in rural and small urban areas and the reasonableness and accuracy of related budget requests. The project evaluation is used to determine necessary changes to the project prior to funding as well as the maximum level of funding which the project will be eligible to receive under the funding allocation process.

The criteria used to evaluate the applications are set forth in the Procedures Manual & Application for the Section 5317 program and include the following:

1. The commitment of local, state or other Federal programs and funds to participate in the provision of public transportation services.
2. The likelihood of continuation of the project.
3. Provisions for the local transportation needs in a realistic and prudent manner.
4. Quality of proposed monitoring and evaluation along with the ability to modify operations as a result of evaluation.
5. Commitment of other local agencies providing or needing transportation services to purchase, share or use in area-wide service.
6. Reasonableness and justification of estimated demand.
7. Extent to which the application recognizes the transportation needs of seniors and persons with disabilities.
8. Appropriateness of proposed equipment needs costs and level of service.
9. Extent to which the project will comply with federal regulations concerning Civil Rights and Section 13(C).

10. Compatibility of system with possible existing supplemental operations e.g., taxicabs, where the vehicles, drivers, radios, and organization are already available and can provide feeder service.
11. Extent to which currently operating nonurbanized transportation service, manpower and equipment are utilized.
12. Degree of management capability to administer the grant and operate the transportation system.
13. Suitability of current and proposed promotional techniques to reach potential riders.

### 7.3 MPO Coordination

Section 5317 applicants are required to contact the appropriate MPO to determine if the proposed service is within the MPO planning/study boundaries. If not, no further action is required. If the service is within an MPO planning/study boundary, then the applicant notifies the MPO by letter that they are applying for Section 5317 funds and will submit a copy of the application for the MPO's review. Upon MPO approval of the application, the project is incorporated in the TIP. Documentation of MPO approval of the applicant's project and inclusion in the TIP is submitted to DOTD as part of the applicant's package.

## 8. ANNUAL PROGRAM OF PROJECTS DEVELOPMENT AND APPROVAL PROCESS

### 8.1 Louisiana's Project Application Process

The process for preparing and submitting an Application (Appendix G) for funding consideration is outlined in the Procedures Manual & Application for the Section 5317 program.

Generally, this process operates as follows:

1. In areas of the state where there are no existing providers, eligible applicants which have formally indicated an interest in the program are notified of program opportunities and the potential availability of funding. All minority transit organizations that meet the eligibility criteria listed in Section 3.1 in this manual are encouraged to apply and DOTD assistance is available upon request. Such new requests are treated in accordance with the established priority system.
2. Existing and prospective new applicants prepare and submit complete applications in accordance with detailed instructions of the New Freedom Procedures Manual & Application. State program personnel are available to provide assistance and advice to

interested program participants.

3. Applications are submitted to DOTD no later than February 1st in order to allow adequate processing time.
4. DOTD Section 5317 program staff begins technical review and evaluation of applications as they are received. Recommendations for any necessary project revisions are completed together with proposed budget allocations for each project.
6. Applicants are required to publish public notice on proposed operating project applications. The notice invites any interested public or private transit or paratransit operator within the service area to comment.
7. DOTD submits a listing of projects and of all public and private transportation providers within each project service area to FTA Region 6 for forwarding to the U.S. Department of Labor.
8. DOTD finalizes its proposed Program of Projects and submits it to FTA by March 31.
9. FTA reviews and approves applications and awards grants by the end of the quarter.
10. During the FTA review and approval process, DOTD initiates and completes necessary contract agreements with applicants identified in the Program of Projects. Agreements become effective upon FTA approval.

## 8.2 Application Evaluation

LADOTD has establish a New Freedom Evaluation Committee comprised of staff from non-applicant agencies, such as LA DOTD – Public Transit, LA Dept. of Social Services, Metropolitan Planning Organization (MPO's), and/or other state agencies providing transportation services. The New Freedom Evaluation Committee may include, but are not limited to, representatives from the previous groups and organizations.

All projects in your application will be evaluated using the Grant Scoring Criteria for Louisiana. Projects will be awarded through a statewide competitive selection process. A first-level review will be performed by the Louisiana Department of Transportation Public Transit Section's New Freedom Program Manager to determine that all aspects of the application are complete. A second-level review will be performed by the New Freedom Evaluation Committee comprised of staff from non-applicant agencies. The committee will review, score, rank the project applications and will recommend a final list of selected projects to be



submitted in the State's Application to the FTA for funding.

The scores are tallied with the maximum available points being 100 points. The evaluation committee will discuss their individual scores and come to a consensus on a prioritized list of projects. The projects are selected for funding based on points on this prioritized list equaling 70 points and above.

Based on the passage of SAFETEA-LU, there is a regional scoring component in LADOTD's evaluation process.

LADOTD will evaluate projects and notify each agency of their final ranking after recommendations from the New Freedom Evaluation Committee has been finalized. The actual grant awards cannot be made until the federal government approves the transportation budgets, and the actual appropriation levels are awarded to LADOTD.

Each agency will be notified of the state and/or federal requirements for developing a final project agreement. This may include a more defined scope of work; budget clarification; supplemental questionnaire; additional information to meet program requirements; a requirement to advertise a public notice; signatures on federal certifications and assurances; and inclusion of your region's locally developed Coordinated Public Transit–Human Services Transportation Plan.

Successful projects may begin on or after the final LADOTD signature is made on a contract for that specific project. However, the grant is contingent upon FTA approval and appropriations of funds. LADOTD reserves the right to terminate the grant for failure by the Department to receive appropriate federal funding. Grant funded projects may begin July 1st and extend until June 30<sup>th</sup>.

### 8.3 Available Assistance

The DOTD Section 5317 program staff is available throughout the year to provide information to interested parties on procedures for participating in the program; technical advice and planning assistance on structuring individual project applications or budgets; and assistance in interpreting and complying with applicable regulatory provisions which pertain to any aspect of the program. Application assistance workshops are conducted each year at the Louisiana Transit Conference.

The Procedures Manual & Application is available to interested applicants via internet download from the DOTD Public Transportation web page (<http://www.dotd.louisiana.gov/intermodal/transit/>) or hard copy mailed upon request. This document contains in-depth information on the preparation and submission of local applications for operating expenses.

## 8.4 Transfer of Funds

Section 5317 transferred funds will follow the program requirements of FTA Circular 9045.1. The period of availability of the funds is three years for obligation by the state under the Section 5317 program.

According to the circular, funds can be transferred between funding categories, to other FTA Programs, FHWA flexible Funds and FTA must be notified of transfers.

a) Transfer between Funding Categories. A State may use funds apportioned for small urbanized and rural areas for projects serving another area of the State, if the chief executive officer of the State certifies that all of the objectives of New Freedom are being met in the specified areas. For example, if all objectives of the New Freedom program are being met in rural areas, funds designated for rural areas may be transferred to urbanized areas of less than 200,000 in population. Funds apportioned to small urbanized and rural areas may also be transferred for use anywhere in the State including large urbanized areas, if the State has established a statewide program for meeting New Freedom program goals. There is no authority to transfer funds apportioned to large urbanized areas to small urbanized or rural areas.

b) Transfer to Other FTA Programs. A State may transfer New Freedom funds apportioned to it for rural or small urbanized areas to apportionments under Section 5311(c) or 5307, or both. The purpose of the transfer provision, however, is not to supplement the resources available under the State's Section 5311 or Section 5307 apportionments. Transfer to Section 5311 or Section 5307 is permitted, but not required. FTA will also award stand-alone New Freedom grants to the State. Stand-alone grants facilitate the State's ability to recover and reprogram New Freedom program funds within the period of availability if they are not expended for the projects the State originally selected. If the State does choose to transfer the funds into the Section 5311 or Section 5307 programs, FTA has established a scope code (646) for New Freedom projects included within a Section 5311 or 5307 grant. Although New Freedom funds can be transferred to Section 5307 for award directly to a small urbanized area recipient in a Section 5307 grant, the grant should only include funding and activities for the New Freedom project(s). States may combine funds from multiple programs in a consolidated Section 5311 grant, but the State must track, manage, and report on each program's funds separately within the consolidated grant.

One purpose for transferring New Freedom program funds to Section 5311 is to allow Federally-recognized Indian tribes, which are eligible direct recipients under the Section 5311 program but not under the other programs, to apply directly to FTA for funds allocated to them under the State's competitive selection process for New Freedom. Similarly,

transferring New Freedom funds to Section 5307 allows direct recipients of Section 5307 grants in small urbanized areas, to apply directly to FTA for funds competitively awarded under the State's New Freedom program.

c) Transfer of (FHWA) Flexible Funds. Surface Transportation Program (STP) funds, Congestion Mitigation and Air Quality (CMAQ) Improvement Program funds, and certain other "flexible" funds, may be transferred from the Federal Highway Administration (FHWA) to FTA for capital transit projects. Although these funds may not be flexed directly into the New Freedom program, flexible funds may be transferred to the Section 5307 or 5311 programs for capital projects that support the purposes of the New Freedom program and are eligible under the program receiving the funds. The funds are available for obligation by the recipient based on the period of availability applicable to the receiving program.

d) Notification of Transfers. The State must notify the FTA regional administrator of the State's intent to have funds transferred so that FTA can initiate the transfer. For transfers of New Freedom funds to the Section 5307 program for urbanized areas under 200,000 in population or Section 5311(c), the notification must indicate the amount of funds transferred, the program to which they are being transferred, and specific projects selected under New Freedom.

The total funds available to the Section 5317 program may be altered according to statutory provisions which permit the Governor to transfer additional moneys to the program from the state's Section 5307 apportionment for urbanized areas under 200,000. Similarly, existing legal provisions permit the Section 5317 program allocation to be reduced if the Governor transfers funds from the program to supplement the Section 5307 program.

DOTD monitors the status of available program funds and informs the Office of the Governor of transfer procedures as program needs become evident. Should excess funds become apparent in either program; the Department will advise the Governor of specific program options and recommend appropriate action. The DOTD will notify the FTA Regional Administrator of each transfer of funds.

## **9. COORDINATION**

### **9.1 State Agency Coordination**

The Department of Transportation and Development coordinates Section 5317 funding for programmatic or public transportation operations and has develop a Statewide Human Services Transportation Plan and is involved in regional coordination plans. DOTD also provides coordination workshops charged with the responsibility to enhance coordination of transportation

services at the regional level. Specific efforts to coordination have been undertaken through DOTD, the MPOs and local public and private transportation providers by having quarterly regional human services transportation plan meetings. Included in these meetings are all State Human Services Agencies like DSS, DHH, LWC, GOEA and GODA, etc.

The purpose of coordination is to obtain the maximum use of transportation resources and increase the cost efficiency of providing transportation services by coordinating and consolidating administration, planning and funding of providing public and specialized transportation services.

DOTD is responsible for providing and/or administering transportation services and resources and share a common goal of managing available transportation service funding in an accountable and cost-effective manner. The degree of success achieved by each plan however, is predicated on continuous open communication, and cooperation and coordination of resources between the respective agencies, providers and individuals.

The development of a truly coordinated public transit-human service transportation system in Louisiana is dependent on state administered funds being coordinated to both build and maintain the system. Although federal funds administered by DOTD are allocated by program, the state can coordinate the expenditure in a way to obtain optimal benefit.

The DOTD intends to continue its efforts to coordinate Louisiana's publicly funded transportation systems. DOTD will continue to authorize coordination of services designated to improve New Freedom public transportation systems.

## 9.2 Local Project Coordination

The state's Procedures Manual & Application for Section 5317 projects contains a description of coordination procedures to be followed by local applicants. Applicants are responsible for coordinating with all local governing bodies, public and private transit and paratransit operators which provide service within the project area, and any other interested group or organization. The applicant is required to obtain and provide a description of all transportation services presently operating in the service area.

Beginning in FY 2007, SAFETEA-LU requires public transit systems funded under the Section 5317 program participate in the local planning process for coordinated public transit-human service transportation plan in those areas applying for funds under Section 5310, 5311, or 5316. DOTD has developed a Statewide Coordinated Plan that specifically includes the locally developed plans that were created by eight planning and development districts in the State.

Section 5317 applicants are required to notify the appropriate MPO by letter to ensure the proposed project is included in the local coordinated plan. The MPO must certify to DOTD that the proposed project is included in the local Coordinated Public Transit-Human Services Transportation Plan.

## **10. STATE ADMINISTRATION AND TECHNICAL ASSISTANCE**

### **10.1 Assistance Available to Local Areas**

The DOTD Section 5317 program staff provides various types of assistance to local areas, including:

1. Technical review of existing accounting practices and procedures, recommendations of needed revisions, and structuring of local system to meet applicable standards.
2. Development of and assistance in implementing appropriate records systems providing required reporting on activities and operations, as well as necessary management information for local use.
3. Assistance in project planning and development.
4. Development and conducting of special workshops for transit providers, including administrative staff and drivers.
5. Provision of information on the availability of approved training courses for local staff attendance.
6. Technical assistance pertaining to transportation system operations.

### **10.2 State Level Section 5317 Activities**

At the state level, DOTD personnel are charged with a wide array of responsibilities for the Section 5317 program. These include:

1. Planning and coordination of the program's objectives with other public transportation programs available to Louisiana.
2. Development, implementation, and supervision of administrative policies and procedures associated with requirements of the program.
3. Coordination with representatives of the Federal Transit Administration and other federal agencies and with appropriate state and local officials concerning program needs and requirements.
4. Development of required state level activity and budget reports and proposed funding plans for federal review and approval.

5. Definition and identification of individual areas of need within the State for Section 5317 transportation services.
6. Development and implementation of an annual project application and selection process and funding allocation procedure for local projects.
7. Development of specifications and provision of a centralized procurement procedure for equipment purchased under the program.
8. Monitoring of project operations, budgets, equipment and facilities through reports and site inspections.
9. Completion of pre-award accounting system surveys on all new projects and the oversight and resolution of audits on all recipients.
10. Provision of technical assistance to local providers in developing and preparing projects, structuring accounting systems, the organization and management of transportation systems, and the design and implementation of needed record systems.
11. Sponsoring, provision, and encouragement of suitable training programs for local programs for local system managers and operating staff.
12. Conducting and sponsoring related research and development efforts to improve the effectiveness of the state's Section 5317 program.

## **11. CIVIL RIGHTS REQUIREMENTS**

DOTD Public Transportation Section is responsible for complying with civil rights requirements and for monitoring compliance by subrecipients of Section 5317 funding. Compliance on the requirements listed below is monitored as part of the Annual Compliance Review questionnaire and through periodic on-site visits to the recipient agency.

### **11.1 Nondiscrimination in Federal Transit Programs**

DOTD Public Transportation Section's policy is that an applicant and all third party contractors shall not, on the basis of race, color, creed, national origin, sex, age or disability be excluded from participation in, be denied the benefits of, or be subjected to discrimination under the Section 5317 program, as required by the provisions of 49 U.S.C. § 5332, which also prohibits discrimination in employment and business opportunity.

## 11.2 Nondiscrimination -- Title VI of the Civil Rights Act

DOTD Public Transportation Section's policy is that no person shall, on the basis of race, color, creed, national origin, sex, age or disability, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance, as required by Title VI of the Civil Rights Act of 1964, as amended, 42 U.S.C. § 2000d et seq., and U.S. DOT regulations, 49 C.F.R. Part 21 and FTA implementing requirements. Louisiana's funding allocation process assures the equitable distribution of funds among all groups within the State.

Local recipients are required to maintain and make available upon request the following:

1. a concise description of any active lawsuits or complaints alleging discrimination in service delivery filed against the recipient within the past year together with a statement of status or outcome of each such complaint or lawsuit,
2. a summary of all civil rights compliance review activities conducted in the last three years, and
3. an analysis of any environmental and or social economic impacts as the result of proposed construction projects, including the impact on minority communities. This information is required only for those projects which do not qualify as a categorical exclusion in the environmental process.

In order for FTA and DOTD to assess compliance requirements, applicants must provide the following information in their Application (Appendix B):

1. A description of how the transportation needs of minorities will be served if the proposed project is approved for funding.
2. A description of the special efforts taken to serve minority communities and address minority transit needs.
3. The percentage of minorities in service area population and the percentage of minority users of the agency's transportation system.

Each applicant which receives \$100,000 of Section 5317 funds per year and whose minority population expressed as a percentage of total population equals or exceeds the state's average minority population of 33% must provide the total population of the service area, the percentage which are minority, a map of the service area which shows routes and

distribution of minority groups (if demand-response service, the estimation of beneficiaries served by minority group category) and special efforts taken to serve minority communities and address minority transit needs.

Each applicant is required to sign the Nondiscrimination Assurance as part of the Section 5317 Application.

### 11.3 Equal Employment Opportunity (EEO)

The DOTD Public Transportation Section is responsible for both its own compliance and for assuring FTA that all local recipients are in compliance with FTA's Equal Employment Opportunity (EEO) objectives as detailed in FTA Circular 4702.1. If the state or any subrecipient meets the threshold specified in the circular it will submit an EEO program to the Federal Highway Administration. The recipients agree as part of their contract that they will comply with all listed regulations of Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. §2000e, and 49 U.S.C. §5332 and any implementing requirements FTA may issue.

Local recipients with 50 or more employees or which have received capital or operating grants in excess of \$1,000,000 (or \$250,000 in technical study grants) are required to submit an Equal Employment Opportunity (EEO) program to the state.

### 11.4 Disadvantaged Business Enterprise Requirements (DBE)

It is DOTD Public Transportation Section's policy that state and local recipients of Section 5317 funds will take necessary and reasonable steps to ensure that disadvantaged business enterprises have the maximum opportunity to compete for and perform contracts in accordance with Section 1101(b) of TEA-21, 23 U.S.C. § 101 note, and U.S. DOT regulations, 49 C.F.R. Part 26. Recipients of Section 5317 capital or operating funds are obligated under contract with DOTD to make all necessary and reasonable efforts to use DBE firms. These activities are monitored annually as part of the Annual Compliance Review questionnaire and it is stressed during site visits.

Triennially, the DOTD Public Transportation Section will submit a statewide DBE program including goals for the utilization of DBE's by the state and by its subrecipients. On a semi-annual basis, the DOTD Public Transportation Section will submit a report through FTA's Electronic Awards Management System (TEAM) that documents its efforts to meet the goals in the statewide DBE program for Section 5317. Quarterly, the DOTD Public Transportation Section will submit a report through FTA's TEAM System that documents its efforts to meet the goals in the statewide DBE program for ARRA.



Each local recipient must take necessary and reasonable steps in accordance with 49 CFR Part 26 to ensure that DBEs have the maximum opportunity to compete for and perform contracts. Such necessary and reasonable steps include:

- Identification of all contracting opportunities, if any, associated with the FTA assistance;
- Analysis of DBE availability;
- Establishment of contract goals;
- Use of good faith efforts to achieve contract goals established;
- Use of DBE firms certified under the eligibility criteria of 49 CFR Part 26; and
- Record keeping and reporting sufficient for verification of the steps taken and participation received.

Recipient must track and report DBE participation levels achieved, including sufficient documentation in the recipient's, sub-recipient's, or contractor's files to substantiate efforts undertaken to meet DBE obligations. Quarterly reports will be submitted to the State to assess the recipient's progress toward projected contract awards and overall goals. This report will be required in accordance with the DBE Activity Timeline below.

<b>DBE Activity - Timeline</b>	
By Dec. 10 <sup>th</sup> , March 10 <sup>th</sup> , June 10 <sup>th</sup> , Sept. 10 <sup>th</sup>	Send request for DBE activities to Transit Agencies
By January 1 <sup>st</sup> , April 1 <sup>st</sup> , July 1 <sup>st</sup> , October 1 <sup>st</sup>	Review and compile DBE activities for all Transit Agencies
By January 10 <sup>th</sup> , April 10 <sup>th</sup> , July 10 <sup>th</sup> , Oct. 10 <sup>th</sup>	Submit DBE activities <b>quarterly</b> in TEAM for ARRA Projects
By June 1 <sup>st</sup> and December 1 <sup>st</sup>	Submit DBE activities <b>semi-annually</b> in TEAM for all FTA Projects

#### 11.5 Nondiscrimination on the Basis of Sex

DOTD Public Transportation Section's policy is that no person shall, on the basis of sex, be discriminated against in Education Programs or Activities Receiving Federal Financial Assistance, in accordance with requirements of Title IX of the Education Amendments of 1972, as amended, 20 U.S.C. §§ 1681 et seq. and U.S. DOT regulations, 49 C.F.R. Part 25 and FTA implementing regulations.

#### 11.6 Nondiscrimination on the Basis of Age

DOTD Public Transportation Section's policy is that all applicants assure compliance with the Age Discrimination Act of 1975, as amended, 42 U.S.C. §§ 6101 et seq., and implementing regulations, which prohibit employment and other discrimination against individuals on the basis of age.

#### 11.7 Access Requirements for Persons with Disabilities

DOTD Public Transportation Section's policy is that all Section 5317 recipients provide assurance that it complies with the provisions of 49 U.S.C. § 5301(d), which sets forth Federal policy that elderly persons and persons with disabilities have the same right as other persons to use transit services and facilities, and that special efforts shall be made in planning and designing those services and facilities to implement transportation accessibility rights for elderly persons and persons with disabilities. Recipients also agree to comply with all applicable requirements of the following Federal regulations: Section 504 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. Section 794, which prohibits discrimination on the basis of handicap, the Americans with Disabilities Act of 1990 (ADA), as amended, 42 U.S.C. §§ 12101 et seq., which requires accessible facilities and services to be made available to persons with disabilities, and the Architectural Barriers Act of 1968, as amended, 42 U.S.C. §§ 4151 et seq., which requires that buildings and public accommodations be accessible to persons with disabilities.

Additionally, Section 5317 recipients must comply with 49 CFR Parts 27, 37, and 38; 28 C.F.R. Parts 35 and 36; 41 C.F.R. Subpart 101-19; 29 C.F.R. Part 1630; 47 C.F.R. Part 64, Subpart F; 36 C.F.R. Parts 1192 and 1194; 49 C.F.R. Part 609 and other FTA regulations, implementing the ADA and amending the Section 504 rule. Among other requirements, the regulations: prohibit discrimination against individuals with disabilities; require that vehicles acquired be accessible to and usable by individuals with disabilities, including individuals using wheelchairs with limited exceptions for demand responsive systems providing equivalent service to individuals with disabilities, or a demonstration of inability to obtain an accessible vehicle despite good faith efforts to do so; and require that public entities operating fixed route transit plan for and provide complementary paratransit for individuals with disabilities who cannot use accessible fixed route transit.

The DOTD Public Transportation Section requires local recipient action on the Certification of Nondiscrimination on the Basis of Disability. This certification gives assurance that the recipient will conduct any program or operate any facility so assisted in compliance with all applicable requirements imposed by DOT regulations. Local recipient action is also necessary on the Section 504/ADA Compliance requirements. In order for

FTA and DOTD to assess compliance requirements, applicants must provide the following information on the form included in the Application (Appendix B):

1. A description of recipient's plans to provide transit services for disabled persons in their service area.
2. The percentage of service area population which requires wheelchair accessible vehicles.
3. The percentage of the recipient's fleet which is currently wheelchair accessible.

The DOTD Public Transportation Section will require that recipients which are public entities operating fixed route transit must plan for and provide complementary paratransit for individuals with disabilities who cannot use accessible fixed route transit. At the present time, all nonurbanized transportation is demand response and, therefore provides equivalent service.

Through the DOTD procurement and reporting process, it monitors all vehicles ensuring that they are equipped, maintained, and operated in accordance with the regulation and that service provided does not discriminate against individuals with disabilities.

In addition, recipients of any FTA funds should be aware that they also have responsibilities under other provisions of ADA in the areas of employment, public accommodations, and telecommunications.

A Pre-Trip Inspection Sheet which includes a comprehensive daily maintenance checklist for vehicles with lifts, a lubrication diagram chart for lifts, and maintenance/lubrication schedule is supplied to all Section 5317 agencies.

#### 11.8 Drug or Alcohol Abuse – Confidentiality and Other Civil Rights Protections

DOTD Public Transportation Section's policy is that recipients comply with the confidentiality and any other civil rights protections of the Drug Abuse Office and Treatment Act of 1972, as amended, 21 U.S.C. §§ 1174 et seq., with the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970, as amended, 42 U.S.C. §§ 4581 et seq., and with the Public Health Service Act of 1912, as amended, 42 U.S.C. §§ 290dd-3 and 290ee-3, and any subsequent amendments to these acts. For information on drug-free workplace and drug and alcohol testing requirements, refer to Chapter 14, Other Provisions.

### 11.9 Access to Services for Persons with Limited English Proficiency

DOTD Public Transportation Section's policy is that recipients comply with Executive Order No. 13166, Improving Access to Services for Persons with Limited English Proficiency; 42 U.S.C. § 2000d-1 note, and U.S. DOT Notice, "DOTD Guidance to Recipients on Special Language Services to Limited English Proficient (LEP) Beneficiaries"; 66 Fed. Reg. 6733 et seq.

### 11.10 Environmental Justice

DOTD Public Transportation Section's policy is that recipients comply with the policies of Executive Order No. 12898, "Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations"; 42 U.S.C. § 4321 note.

### 11.11 Other Nondiscrimination Statutes

DOTD Public Transportation Section's policy is that recipients comply with all applicable requirements of any other nondiscrimination statute(s) that may apply to the Project.

## 12. **OTHER PROVISIONS**

### 12.1 Section 5333(b) Labor Protection Provisions

The Louisiana DOTD Public Transportation Section requires that applicants annually submit Certifications and Assurances for the Nonurbanized Area Formula Program which is contained in the Application (Appendix B) which certifies compliance with 49 U.S.C. Section 5333(b). This section requires that fair and equitable arrangements be made to protect the interests of employees affected by such assistance. The Department of Labor (DOL) is responsible under Federal law for the administration of Section 5333(b).

New applicants may request alternative arrangements or a waiver of the protections. The waiver is only good for the first year of the project and acceptance of the warranty will be required for subsequent years funding. Each waiver request will be forwarded by DOTD to the U.S. Department of Labor (DOL) individually for their review and approval.

In addition to the certification each recipient must submit the following information:

1. A complete 5333(b) Labor Warranty Listing as described in the Procedures Manual & Application. This listing includes the project name and description, the service area and contract fiscal year ending date, the transit provider agency and their address, other

eligible surface public transportation service providers operating in the service area, type of transit they perform, and any union representing the employees of each transit provider.

2. The agreement dates and signatories to any existing 5333(b) arrangements or side letters (and any specific language which has been utilized for similar projects).
3. A statement of whether the recipient would agree to the use of those arrangements for the current project.

## 12.2 Private Sector Participation

Although FTA no longer prescribes a particular private sector participation process, applicants are required to assure DOTD that other transportation providers have been afforded a fair and timely opportunity to comment on the proposed service. In order to comply with the intent of 49 U.S.C. 5323(a)(1) each applicant is required to publish a public notice that identifies the services being proposed and invites any interested transportation provider within the service area to comment. Applicants provide assurance that participation of private mass transportation companies has been provided to the maximum extent feasible.

## 12.3 Environmental Protection

Most Section 5317 projects receive a categorical exclusion under this assurance, and therefore no action is required by the applicant. DOTD is responsible for obtaining the necessary clearance for environmental assessment. Section 5317 projects which are not categorical exclusions, as defined by 23 CFR 711.117(d) may require the applicant to submit additional descriptive information. Additional information regarding environmental requirements can be found in Chapter X of FTA C9040.1E.

There are a number of environmentally related statutes, orders, and compliance procedures which may apply to a given project even if it is properly classified as a categorical exclusion. The environmental requirements which may come into play for Section 5317 projects are: Clean Air Act conformity provisions; protection of public parkland, wetland and waterfowl refuges, and historic sites (49 U.S.C. Section 303); Section 106 of the National Historic Preservation Act (protection of historic and archaeological resources); and Section 404 of the Clean Water Act (Corps of Engineers' permit requirements for dredge and fill activities in waters of the United States). FTA policy is to require compliance with these environmentally related requirements within the overall environmental process. The environmental assessment or environmental documentation to support a categorical exclusion must address these related requirements. No project will be included in Category A of the state's Section 5317 Program of Projects until compliance with these requirements is met.

The Louisiana DOTD, Public Transportation Section will screen potential projects when they are first identified to make an initial determination as to which projects clearly meet the FHWA/FTA criteria for categorical exclusions and which projects may require additional documentation.

#### 12.4 Buy America Provisions

Section 5317 recipients must comply with 49 U.S.C. Section 5323(j), FTA regulations "Buy America Requirements", 49 C.F.R. Part 661, and implementing guidance FTA may issue. Buy America requirements apply to all purchases, including materials or supplies funded as operating costs, if the purchase exceeds the threshold for small purchases - currently less than \$100,000. Applicants certify as part of the Section 5317 Application compliance with all applicable procurement requirements imposed by Federal laws, executive orders, or regulations. These requirements are included in the contract for Section 5317 funds between DOTD and the subrecipient and in the subcontract with service providers. When contracts are mailed to subrecipients for signature, a sample contract to be used between the subrecipient and the provider is included. In order to assure compliance, the subrecipient is required to forward a fully executed copy of the contract to DOTD. DOTD will monitor procurement practices with the Annual Compliance Review questionnaire and site visits. These federally required procurement clauses are also a part of the certification packet for potential bidders that are distributed by DOTD for purchases.

#### 12.5 Pre-award and Post-delivery Audits

The Louisiana DOTD Public Transportation Section requires pre-award audits for both Buy America and bid specification requirements. As a portion of the pre-award process, a certification of Federal Motor Vehicle Safety Standards (FMVSS) is also required. A Checklist is maintained on file at DOTD for capital purchases which tracks the following: Buy America Certification (Pre-Award), Bid Specification Pre-Award, receipt of Manufacturer's FMVSS Certification, Buy America Certification (Post Delivery), Vehicle Sight Inspection, Vehicle Road Test, number of vehicles purchased, Inspector's Report (if required), Bid Specification Post Delivery, and receipt of Manufacturer's FMVSS Certification. Items which are kept on file at DOTD are: copies of solicitation documents, certification of Buy America compliance, certification of bid specification compliance, and certification from manufacturers of FMVSS information or its inapplicability.

Prior to signing a contract with the vehicle manufacturer for the purchase of vehicles, DOTD conducts the Pre-award Buy America Audit. In completing the Pre-award Buy America Audit, the Public Transportation Section reviews documentation from the manufacturer as to the cost of the vehicle's major components and primary sub-components, their country of origin, the

location of final assembly, and the activities that will take place at that location.

The Public Transportation Section also conducts a Pre-award Bid Specification Audit. In this audit the DOTD staff reviews the information provided by the vehicle manufacturer concerning the vehicles proposed for purchase. A certification is made that these vehicle(s) are the same vehicle(s) described in the bid specifications used for this solicitation. It also assures that the manufacturer (by name) is a responsible manufacturer with the capability to produce the specified product. An on-site inspector will monitor the manufacture of the vehicles should 11 or more be purchased.

As a part of the bid package, DOTD requires that the vehicle manufacturer submit a certification that the vehicles are subject to FMVSS standards issued by the National Highway Traffic Safety Administration (NHTSA) in 49 CFR Part 571. This manufacturer's self-certification information is kept on file by DOTD. If the vehicle purchased is not subject to FMVSS standards, DOTD keeps, on file, a certification from the manufacturer that the vehicle is not subject to those standards.

Upon receipt of vehicles ordered, DOTD will conduct a post-delivery audit for Buy America, Bid Specifications, and Federal Motor Vehicle Safety Standards. In the Buy America post-delivery audit, DOTD certifies that the Buy America regulations (after change orders, etc.) are still being met. In this audit DOTD reviews specific cost information supplied by the manufacturer for compliance.

The post-delivery audit of Bid Specifications is conducted by DOTD personnel to determine if the vehicles meet contract specifications and to assure that the vehicles received are free from defects. A road test and visual inspection is completed. For the procurement of 11 or more vehicles for one agency, DOTD will certify that a resident inspector was on site throughout the manufacturing period and monitored the manufacture of the vehicles.

At post-delivery DOTD will file the manufacturer's self-certification regarding compliance with FMVSS standards. If the vehicle is not subject to FMVSS standards DOTD will keep on file the certification from the manufacturer that the vehicle is not subject to those standards.

If DOTD cannot certify Buy America or bid specification compliance, the vehicle(s) may be rejected and final acceptance will not be required. DOTD and the manufacturer may agree to a conditional acceptance of the vehicle(s) pending a correction of the deviations within a reasonable period of time.

## 12.6 Drug-free Workplace Requirements

Annually the Louisiana Department of Transportation and Development submits a Drug-Free Workplace Act Certification, pursuant to Public Law 100-690. This certification is submitted on behalf of all sections within DOTD who receive federal funds through grants. DOTD certifies that it will continue to provide a drug-free workplace by:

- (a) Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance in a DOTD workplace is prohibited and specifying the actions that will be taken against employees for violation of such prohibition.
- (b) Establishing an ongoing drug-free awareness program.
- (c) Making it a requirement that each employee to be engaged in the performance of the grant or cooperative agreement be given a copy of the statement required by paragraph (a).
- (d) Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant or cooperative agreement, the employee will abide by the terms of the statement and notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction.
- (e) Notifying the Federal sponsoring agency in writing within ten calendar days after receiving notice under paragraph (d), from an employee or otherwise receiving actual notice of such conviction.
- (f) Taking one of the following actions, within 30 calendar days of receipt of the notice, with respect to any employee so convicted:
  - 1. Taking appropriate personnel action against such employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
  - 2. Requiring such employee to participate satisfactorily in drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State or local health, law enforcement, or other appropriate agency.
- (g) Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e), and (f).



## 12.7 Drug and Alcohol Testing

The DOTD Public Transportation is responsible for assuring FTA that all Section 5317 recipients and subrecipients receiving funds from Sections 5307, 5309, or 5311 are in compliance with FTA's Drug and Alcohol Testing regulations, as outlined in 49 CFR Part 655. Among other requirements, these regulations require that all safety sensitive employees be tested for drug and alcohol use pre-employment (drug only), randomly, and post-accident, that certifications be made, and that reports be submitted. The following elements must be in place before a transit system can claim compliance:

- A policy statement must be adopted by the Governing Board or Authorized Official.
- Employees must be given a copy of the system's policy.
- All safety-sensitive employees must receive at least 60 minutes of training on the effects and consequences of prohibited drug use.
- All supervisors must have completed Reasonable Suspicion training.
- Drug and alcohol testing services must be in place.
- Substance Abuse Professional must be available for referrals.
- Each system must have the ability to conduct drug and alcohol testing by their compliance deadline.

The transit system must certify compliance with the requirements set forth in 49 CFR Part 655 on an annual basis. The original certification is mailed direct to DOTD no later than December 15 of each year. DOTD then keeps a copy and transmits the originals to FTA. This certification must be signed by the transit systems governing board or authorizing official. Before March 15 of each year, recipients of Section 5317 funds must complete and submit to DOTD the Drug and Alcohol Testing Management Information System (MIS) Data Collection Forms which are then submitted by DOTD to FTA no later than March 15.

DOTD holds workshops periodically to update Section 5317 recipients on changes in drug and alcohol regulations. Copies of FTA Drug and Alcohol Regulation Updates are also mailed to each agency. DOTD has reviewed copies of each recipient's Drug and Alcohol Policy in order to ensure compliance with Federal requirements. Monitoring is accomplished through the Annual Compliance Review questionnaire and site visits.

Recipients or subrecipients that receive only New Freedom Program assistance are not subject to FTA's Drug and Alcohol testing rules, but must

comply with the Federal Motor Carrier Safety Administration (FMCSA) rule for employees who hold Commercial Driver's Licenses (CDLs) (49 CFR part 382).

## 12.8 Debarment and Suspension Certification

Louisiana DOTD Public Transportation Section requires that recipients submit this certification with their application as described in the Procedures Manual & Application for contracts in excess of \$100,000. By signing this certification, the recipient assures DOTD that Section 5317 funds are not given to anyone who has been debarred, suspended, ineligible, or voluntarily excluded from participation in federally assisted transactions. The federally required clause, as defined in the governing regulation, 49 CFR Part 29 and FTA Circular 2015.1 on debarment and suspension is included in the contracts between DOTD and subrecipients and also in subcontracts with providers who meet the minimum threshold.

## 12.9 Commercial Drivers License

All drivers of vehicles designed to transport more than 15 persons (including the driver) must have a Commercial Drivers License (CDL). Mechanics that drive the vehicles must also have a CDL.

## 12.10 Restrictions on Lobbying

FTA recipients are prohibited from using Federal financial assistance to influence or attempting to influence an officer or employee of any agency, a Member of Congress or the Louisiana State Legislature, an officer or employee of Congress or the Louisiana State Legislature, or an employee of a Member of Congress or the Louisiana State Legislature pertaining to the award of any Federal assistance, or the extension, continuation, renewal, amendment, or modification of any Federal assistance agreement.

If any funds other than Federal appropriated funds have been or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress or the Louisiana State Legislature, an officer or employee of Congress or the Louisiana State Legislature, or an employee of a Member of Congress or the Louisiana State Legislature in connection with any application to FTA for Federal assistance, the Applicant assures that it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," including the information required by the form's instructions, which may be amended to omit such information as permitted by 31 U.S.C. 1352.

General advocacy for transit and providing information to legislators about the services a recipient provides in the community are not prohibited, nor is using non-Federal funds for lobbying, so long as the required disclosures are made.

Recipients and subrecipients of grants exceeding \$100,000 must sign a certification as part of the Application for Section 5317 funds so stating and must disclose the expenditure of non-Federal funds for such purposes (49 C.F.R. Part 20). The federally required clause, as defined in the governing regulation is included in the contracts between DOTD and subrecipients and also in subcontracts with providers who meet the minimum threshold. Compliance with this regulation is monitored as part of the Annual Compliance Review questionnaire and periodic on-site visits.

#### 12.11 SAFETY AND SECURITY

Section 5317 applicants are required to have a safety and security plan. FTA's authority in the area of transit safety is set forth in 49 U.S.C. 5329. Under this Section, FTA may conduct investigations into safety hazards and security risks associated with a condition in equipment, a facility, or an operation financed under Chapter 53 in order to establish the nature and extent of the condition and how to eliminate, mitigate, or correct it. FTA may also require local jurisdictions to submit a plan for eliminating, mitigating, or correcting the deficiency. Finally, FTA may withhold further financial assistance from any grantee that fails to correct any safety and security deficiency.

FTA has entered into a Memorandum of Understanding with the American Association of State Highway and Transportation Officials (AASHTO), the American Public Transportation Association (APTA) and the Community Transportation Association of America (CTAA) that supports the transit industry and Federal commitment to bus safety, and supports a model bus safety program to which all the signatories of this agreement have agreed to subscribe. The program will also focus on addressing the needs of rural and small urban providers.

#### 12.12 Annual Program of Projects Status Reports

The state submits to FTA program status reports for each active grant by October 31 each year that covers the 12 month period ending September 30. The report, which includes an updated Program of Projects, is submitted electronically in TEAM. LADOTD maintains files on all FTA funded projects.

#### 12.13 Program Measures

LADOTD uses the subrecipient's Annual Questionnaire to monitor and evaluate subrecipient's performance. Transit policy, management decisions, and actions taken by the subrecipient during the contract period must conform with the application. Any proposed deviation from the application must be reported to Public Transportation Section staff who must concur in writing prior to implementation of the proposed change.

Management review is an on-going process undertaken by Public Transportation Section staff. LADOTD requires each subrecipient submit a detailed annual compliance review questionnaire at the beginning of the fiscal year. Subrecipients are required to report expenses, revenues and passenger counts monthly in the Public Transportation's Statewide Transportation Tracking and Reporting System (STTARS). The New Freedom Program Manager uses these reports to monitor the system's fiscal and operational management.

The reporting form automatically calculates the following performance measures:

- Cost per passenger trip
- Cost per passenger miles
- Maintenance costs
- Revenues/Expenses
- Total vehicle hours
- Total miles
- General Public Miles
- Passenger Trips
- Passenger Miles
- Cost per mile
- Cost per hour
- Passenger Trips per Mile
- Passenger Trips per hour
- Average Trip length
- Percentage of seniors and persons with disabilities

Subrecipients found to be out of compliance with Federal or State rules and regulations are issued instructions for correction with a deadline for compliance. Completion dates for suggested operational and service design improvements are negotiated with the transit system manager and the DOTD.

LADOTD Program Manager performs fiscal annual desk audits of Section 5317 contracts and conducts a site visit approximately every three years or as needed.

The grant applicant reports performance results from the previous completed calendar year and estimates results for the current year of operations. Proposed performance measures for the upcoming year are estimated. Grant applicants are also encouraged to develop quantifiable goals for their Section 5317 funded project. These results are measured in the application.

## 13. STATE PROGRAM MANAGEMENT

### 13.1 Procurement

#### Vehicles

After notification of approval of the state's consolidated application by FTA, the procurement process begins. DOTD forwards the bid request package which documents quantities and specifications to the Division of Administration for handling. The Division of Administration forwards the final bid package to the DOTD Public Transportation Section for assurance that it complies with all Federal regulations and that it contains the proper vehicle specifications. After approval from the DOTD, the Division of Administration advertises. The DOTD Public Transportation Section is notified of all pre-bid conferences regarding procurement of vehicles under this program. The Division of Administration manages acquisitions through its established bidding and centralized purchasing procedures. This allows optimum use of available program funding since the vehicles and other equipment are purchased in volume at one time.

The DOTD has developed standard specifications for vehicles and other equipment most often requested by applicant organizations. Each applicant selects the equipment and/or vehicle(s) most appropriate to meet the specific needs of its present and potential ridership and the requirements of the Americans with Disabilities Act of 1990. Requests for vehicles other than the standard selections must be accompanied with specifications including diagrams and seating arrangements.

Procurement standards apply to all third party contracts involving Section 5317 program funds. DOTD approval is required for all third party contracts. These procedures include affirmative steps which are taken to assure that small and minority businesses are utilized when possible as sources of supplies, equipment, construction, and services. Louisiana selection procedures are conducted in a manner that provides maximum open and free competition. Awards are made only to responsible contractors that possess the potential ability to perform successfully under the terms and conditions of the proposed procurement.

### 13.2 Financial Management

The Louisiana DOTD expends and accounts for grant funds in accordance with state laws and procedures for expending and accounting for its own funds. Fiscal control and accounting procedures for DOTD, as well as its subgrantees and cost-type contractors, are sufficient to:

1. Permit preparation of reports described in FTA Circular 9040.1F and reports necessary to comply with other program and statutory requirements, and

2. Permit the tracing of funds to a level of expenditures adequate to establish that such funds have not been used in violation of the restrictions and prohibitions applicable to the program.

The Louisiana DOTD uses the ECHO (Electronic Clearinghouse Operation) system to transfer payments from FTA. In so doing the state has agreed to comply with the ECHO requirements contained in the Department of the Treasury Circular 1075, part 205, "Withdrawal of Cash from the Treasury for Advances Under Federal Grants and Other Programs, "and as established by the "Guidelines for Disbursements" set forth in FTA's ECHO System Operations Manual.

The Louisiana DOTD retains financial records, supporting documentation, and all other records pertinent to a grant for a period of three years. These records are readily available for inspection by the U.S. Department of Transportation or the Comptroller General of the United States. If any litigation, claim or audit is started before the expiration of the three year period, the records will be retained until all litigation, claims, or audit findings involving the records have been resolved. The eligibility of any ADA or Clean Air Act projects for which the increased Federal Share is claimed will be adequately documented.

### 13.3 Property Management and Disposition

DOTD maintains a lien on all property acquired through the expenditure of Section 5317 funds. Vehicles are titled by DOTD in the name of the applicant. The face of each vehicle title is clearly marked to indicate that the vehicles were obtained with the use of federal funds and are not to be sold without the consent of the lien holder.

Insurance must be maintained in an adequate amount to protect persons, equipment and facilities throughout the life of the vehicle. At a minimum the federal share of the equipment must be protected by insurance. DOTD requires proof of insurance on all equipment prior to awarding equipment to the recipient and annually thereafter until the equipment is disposed in accordance with DOTD criteria. Failure to maintain required insurance is in violation of the Project Agreement which is executed by DOTD with the recipient. Also under this agreement the recipient must agree to "hold harmless" DOTD from any claims for liens for labor, services or material furnished to the grantee.

A physical inventory of all property shall be taken by DOTD and results reconciled with the property records at least once every two years. This inventory procedure is performed by DOTD District personnel and is usually performed between the months of May and October in every even numbered year. Any differences between quantities determined by the physical inspection and those shown in DOTD accounting records shall be

investigated to determine the causes of the differences. The DOTD shall, in connection with the inventory, verify the existence, current utilization, and continued need for the property. The agency will be notified in advance of these inventory procedures. Vehicles must be available for inspection upon notification.

The loss, damage or theft of an FTA funded vehicle must be verbally reported to DOTD immediately following an incident. A follow up letter of explanation must then be forwarded to the DOTD Public Transportation Section as soon as practicable, with support documentation included. After a review of the accident documents and an evaluation of the age and mileage of the vehicle, instructions will be given the agency on use of insurance proceeds.

DOTD has established the following useful life criteria of FTA purchased equipment:

1. STANDARD SIZE HEAVY DUTY TRANSIT BUSES (approximately 35'-40'): Twelve (12) years of age or 500,000 miles.
2. MEDIUM SIZE HEAVY DUTY TRANSIT BUSES (approximately 30'): Ten (10) years of age or 350,000 miles.
3. SMALL MEDIUM DUTY TRANSIT BUSES (under 30'): Seven (7) years of age or 200,000 miles.
4. LIGHT DUTY MINI BUSES (on van chassis), REGULAR AND SPECIALIZED VANS: Five (5) years of age or 100,000 miles.

Vehicles and equipment which have reached the useful life criteria are eligible for disposition. The Program Manager will perform a review of the history of the vehicle which includes usage and maintenance. If it is determined that the Federal interest has been met, the agency will be notified that DOTD is releasing the vehicle to their private fleet. The agency will continue to report on this vehicle so long as it is used in their public transportation service. However if the agency should sell the vehicle, all proceeds from the sale must be used for mass transit purposes.

#### 13.4 Vehicle Use and Maintenance

Recipients are expected to use vehicles operated with Section 5317 program funds for general public transportation services as specified in their applications to DOTD. Vehicle utilization reports for all vehicles whose operation is supported by Section 5317 operating funds are to be submitted to DOTD monthly.

All equipment is to be properly maintained by the recipient. A Vehicle Maintenance/Expense Record is to be submitted for each vehicle monthly. Vehicles are to be maintained in accordance with schedules recommended by manufacturers.

Biennial equipment inspections by qualified DOTD personnel are also conducted. Following each inspection, a written notice of defects observed is given to the recipient. The recipient has 60 days to repair the defects observed and to forward evidence of repairs to DOTD.

### 13.5 Construction or Renovation of Facilities

Section 5317 funds will not be approved by DOTD for the construction or renovation of facilities.

### 13.6 Accounting Systems

DOTD audit personnel perform pre-award accounting system surveys on all newly funded applicants. The purpose of these surveys is to ascertain whether or not each applicant's accounting system conforms to DOTD and Federal requirements. Technical assistance is available from DOTD to assist applicants in establishing a proper accounting system.

### 13.7 Audit and Project Closeout

Audits are required of all program recipients in compliance with the latest Federal and State requirements. Audits may be performed by either certified public accountants or by the Louisiana Legislative Auditor's office. An audit which covers the final expenditures is required.

A project is closed when the grant recipient has completed all required actions or services, or the grant is canceled or suspended. An accounting is made of all property obtained with grant funds or otherwise received from the government.

### 13.8 Procedures for Management and Financial Reviews

DOTD's management and financial review procedures are integrated within each project phase. During the application phase, the financial review is directed to the applicant's audit and a pre-award audit which is conducted by DOTD personnel to assess the financial capabilities of the applicant. Management review during the application phase is focused on an assessment of past performance and demonstrated capability to properly allocate resources and achieve specified outcomes from the project.

During a project, DOTD's management and financial review continues. The activity reports and equipment inspections provide a source of both management and financial data and information. The review of monthly



activity reports and biennial equipment inspection reports continues throughout the project life.

Fiscal reports are filed monthly by each recipient receiving operating assistance. The fiscal report is the basic document used by DOTD to reimburse recipients for eligible operating costs.

### 13.9 Project Monitoring and On-site Reviews

DOTD Section 5317 administrative personnel mail a detailed Annual Compliance Review (Appendix C) to all recipients prior to the beginning of the new fiscal year. A thorough review of these completed forms is conducted by program personnel. DOTD program personnel then schedule site visits for the fiscal year giving top priority to those agencies which appear to be experiencing problems or noncompliance. However, all agencies receive on-site reviews at a minimum of once every three years. The Section 5317 recipients are monitored very closely through the Annual Compliance Review questionnaire and the reports which are submitted monthly. Any time a problem is detected an on-site review is scheduled immediately. During the site visits, the program managers consult with recipients on matters of record-keeping, operations, scheduling, and other aspects of their respective programs.

DOTD also has qualified departmental personnel conduct equipment inspections. The purpose of these inspections is to ascertain the condition of vehicles and whether prescribed maintenance is being performed. These inspections are conducted every two years.

### 13.10 Evaluation and Assessments

Service activity reports (Appendix E) are to be filed monthly by each recipient receiving operating assistance. Service activity reports provide data employed to measure various aspects of system performance and efficiency.

The reports to be submitted to DOTD by the 15th of each month following the reporting month are:

1. Systemwide Vehicle Trip Summary Log;
2. Vehicle Maintenance/Expense Record (for each vehicle); and
3. Financial Activity Report.

These reports are to be submitted to DOTD within fifteen days of the close of the month being reported.

DOTD has implemented a reporting system designed to provide data necessary to evaluate and assess programs individually and in aggregate. This data is evaluated to determine productivity, cost-effectiveness and service standards. DOTD can invoke a formal probationary period for a provider whose productivity, cost-effectiveness or service standards are below average. Failure to improve during the probationary period may result in termination of the agreement between the recipient and DOTD.

**APPENDIX A**  
**PROCEDURES MANUAL & APPLICATION**

**APPENDIX B**  
**SECTION 5317 APPLICATION**

**APPENDIX C**  
**ANNUAL COMPLIANCE REVIEW QUESTIONNAIRE**

**APPENDIX D**  
**SECTION 5317 OPERATING CONTRACTS**

**APPENDIX E**  
**SERVICE ACTIVITY REPORTS**